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09/314,424

05/18/1999

BERTRAM V. BURKE

EPC 71

5182

7590
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01/03/2007

EXAMINER

JANVIER, JEAN D

ART UNIT

PAPER NUMBER

3622

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
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3 MONTHS

01/03/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary

Application No.

09/314,424

Applicant(s)

BURKE, BERTRAM V.

Examiner

Jean Janvier

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-46 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-46 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. ____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____. |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date ____. | 6) <input type="checkbox"/> Other: ____. |

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on November 06, 2006 has been entered and a Non-Final Rejection follows.

DETAILED ACTION

Specification

Claim Status

Claims 1-46 are currently pending and herein being examined

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-46 are rejected under 35 U.S.C. 103(a) as being unpatentable over

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Hovakimian, US Patent 5, 466, 919 in view of an article "Flowers as a Double Gift", published in the New York times on May 5, 1990.

As per claim 1-2, 4, 6, 7-10, 31, 25-28, 33, 34, 37, 42, Hovakimian discloses a patronage incentive system for enabling identified purchasers or customers (identified via a merchant's or bank credit card) to contribute or donate to their selected charities whenever they use a specific Bank or issuer's or merchant's credit card to pay for transactions at participating identified merchants' or retailers' POSes. **In fact, the card merchant or card issuer of the credit card agrees to deduct a certain portion (calculated rebates) from each identified purchaser's or donor's transaction involving the use of the credit card and subsequently donate the accumulated portions or rebates to the charity or charities (organizations or non-profit entities) pre-selected by the identified purchaser or customer or donor in an effort to encourage the identified purchaser to use the credit card to pay for transactions at participating merchants' or vendors' or retailers' POSes (this is the credit card issuer's or the credit card merchant's money, not the donor's or purchaser's money), thereby yielding to immediate customer's gratification and customer or credit card holder loyalty and retention, which helps retain the customer in an era where it is critical to keep an existing customer. Further, a "bank card-expedited system" (BAX or independent central clearinghouse) processes the card user's (donor's) purchase during a transaction at a participating or identified merchant's/vendor's POS, once the merchant's POS system establishes a connection with the bank card-expedited system or BAX or clearinghouse, and pays a previously decided or determined amount (calculated rebate) to the identified charity or charities. Finally, the customer's credit card bill is being reduced by an amount equal to the value of the rebate or accumulated rebates and the rebate or the accumulated rebates will be posted to the one or more non-profit organizations' accounts (here, the central clearinghouse or BAX is**

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independent from or not being controlled by the non-profit organizations, the donors/purchasers and the vendors or retailers/merchants themselves) (See abstract; col. 1: 24-48; col. 2: 4 to col. 3: 63; figs. 1-3; claims 1-2).

Here, although Hovakimian either implicitly or explicitly supports most of the limitations of the claims, however, he does not expressly disclose, as recited in at least the independent claims, the steps of

Providing by the merchant or retailer, but not the card issuer, the rebates, as determined by the merchant or product vendor, to the donor or the purchaser, wherein the calculated rebates are to be deducted by the merchant from the donor's purchase and paid by the merchant to selected charitable organizations.

Maintaining a schedule of rebates, as determined by one or more merchants or vendors, due to one or more charities.

However, it is described in the article, "Flowers as a Double Gift", that a purchaser buying flowers at a Petal Power POS can earn a ten percent (10%) rebate that is deducted from the purchaser's bill and wherein the 10% rebate is donated to a charity selected by the purchaser or suggested by a Petal Power representative who maintains a charity list having more than one hundred non-profit organizations. Further, the purchaser's donated 10% rebate is tax deductible.

Moreover, it is common practice in the industry for businesses or retailers or merchants, such as **Giant Food**, to encourage their customers to support their stores by donating a certain percentage, as determined by the merchants, of identified customers' transaction amounts (rebates), upon reaching a predetermined threshold or during a specific period of time or schedule, to schools

or non-profit organizations previously selected by the customers. In addition, advertisers or sponsors periodically run a special promotion for a particular product or service, especially after a disaster such a flood, fire or hurricane to name a few, by promising to donate a certain amount of money associated with a customer's purchase of the advertised product or service to the RED CROSS or other non-profit organizations in an effort to help the victims.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate the above disclosures into the Hovakimian's system so as to have participating merchants or product vendors or retailers share (with the credit card issuer) the cost associated with providing the rebates to the customers for purchases made at the participating merchants or product vendors, using the issuer's credit card, wherein the BAX system (central clearinghouse) receives the transaction data from the merchants' or retailers' POSes and calculates, in accordance with a predefined percentage as agreed upon by the credit card issuer and the merchants, the rebates due to the customers, wherein the merchants deduct their rebate contributions from the supporters purchases, and wherein the total calculated rebates accumulated from a plurality of different merchants or retailers and stored in a BAX system database are forwarded to the differently selected charities involved by the BAX system (central clearinghouse system) in conjunction with the plurality of merchants during a specific of time based on a predetermined schedule, thereby encouraging the customers to shop at the participating merchants and use the credit card to pay for purchases made at the different merchants' POSes and earn rebates jointly provided by both the merchants and the credit card issuer in accordance with a business agreement between the merchants and the credit card issuer, wherein each merchant can negotiate the percentage of the rebates he wants to provide and wherein the customers' transaction data are shared and used by the credit card issuer and the merchants for further marketing analysis, while yielding to

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immediate customer's gratification and customer or credit card holder loyalty and retention, which helps retain the customer in an era where it is critical to keep an existing customer.

Finally, whether a merchant or a clearinghouse (BAX system) transmits the rebates to one or more charities or non-profit organizations is a matter of great convenience or desires, which does not directly or indirectly impact the utility or the functionality of the method or system by which rebates are provided to the customers and forwarded to his charities.

As per claims 21-24, Hovakimian discloses a patronage incentive system for enabling identified purchasers or customers (identified via a merchant's or bank credit card) to contribute or donate to their selected charities whenever they use a specific Bank or issuer's or merchant's credit card to pay for transactions at participating identified merchants' or retailers' POSes. **In fact, the card merchant or card issuer of the credit card agrees to deduct a certain portion (calculated rebates) from each identified purchaser's or donor's transaction involving the use of the credit card and subsequently donate the accumulated portions or rebates to the charity or charities (organizations or non-profit entities) pre-selected by the identified purchaser or customer or donor in an effort to encourage the identified purchaser to use the credit card to pay for transactions at participating merchants' or vendors' or retailers' POSes (this is the credit card issuer's or the credit card merchant's money, not the donor's or purchaser's money), thereby yielding to immediate customer's gratification and customer or credit card holder loyalty and retention, which helps retain the customer in an era where it is critical to keep an existing customer. Further, a "bank card-expedited system" (BAX or independent central clearinghouse) processes the card user's (donor's) purchase during a transaction at a participating or identified merchant's/vendor's POS, once the merchant's POS system establishes a connection with the bank card-expedited system or BAX or clearinghouse, and pays a previously decided or**

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determined amount (calculated rebate) to the identified charity or charities. Finally, the customer's credit card bill is being reduced by an amount equal to the value of the rebate or accumulated rebates and the rebate or the accumulated rebates **will be posted to the one or more non-profit organizations' accounts (here, the central clearinghouse or BAX is independent from or not being controlled by the non-profit organizations, the donors/purchasers and the vendors or retailers/merchants themselves)** (See abstract; col. 1: 24-48; col. 2: 4 to col. 3: 63; figs. 1-3; claims 1-2).

Here, although Hovakimian either implicitly or explicitly supports most of the limitations of the claims, he does not expressly disclose the steps of

Providing by the merchant, not the card issuer, the rebates, as determined by the merchant or product vendor, to the donor or the purchaser, wherein the calculated rebates are to be deducted by the merchant from the donor's purchase and paid by the merchant to selected charitable organizations.

Maintaining a schedule of rebates, as determined by one or more merchants, due to one or more charities.

However, it is described in the article, "Flowers as a Double Gift", that a purchaser buying flowers at a Petal Power POS can earn a ten percent (10%) rebate that is deducted from the purchaser's bill and wherein the 10% rebate is donated to a charity selected by the purchaser or suggested by a Petal Power representative who maintains a charity list having more than one hundred non-profit organizations. Finally, the purchaser's donated 10% rebate is tax deductible.

Moreover, it is common practice in the industry for businesses or retailers or merchants, such as **Giant Food**, to encourage their customers to support their stores by donating a certain percentage,

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as determined by the merchants, of the customers' transaction amounts (rebates), upon reaching a predetermined threshold or during a specific period of time or schedule, to schools or non-profit organizations previously selected by the customers. In addition, advertisers or sponsors periodically run a special promotion for a particular product or service, especially after a disaster such a flood, fire or hurricane to name a few, by promising to donate a certain amount of money associated with a customer's purchase of the advertised product or service to the RED CROSS or other non-profit organizations in an effort to help the victims.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate the above disclosure into the Hovakimian's system so as to have participating merchants or product vendors share (with the credit card issuer) the cost associated with providing the rebates to the customers for purchases made at the participating merchants or product vendors, wherein the BAX system (clearinghouse) receives the transaction data from the merchants' POSes and calculates the rebates due the customers in accordance with a predefined percentage as agreed upon by the credit card issuer and the merchants and wherein the merchants deduct their rebate contributions from the supporters purchases and wherein the total rebates accumulated from a plurality of different merchants and stored in a BAX system database are forwarded to the differently selected charities involved by the BAX system (clearinghouse system) in conjunction with the plurality of merchants during a specific of time based on a predetermined schedule, thereby encouraging the customers to shop at the participating merchants and use the credit card to pay for purchases made at the different merchant POSes and earn rebates jointly provided by both the merchants and the credit card issuer in accordance with a business agreement between the merchants and the credit card issuer, wherein each merchant can negotiate the percentage of the rebates he wants to support and wherein the customers' transaction data are shared and used by the credit card

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issuer and the merchants for further marketing analysis, while yielding to immediate customer's gratification and customer or credit card holder loyalty and retention, which helps retain the customer in an era where it is critical to keep an existing customer.

Finally, whether a merchant or a clearinghouse (BAX system) transmits the rebates to one or more charities or non-profit organizations is a matter of great convenience or desires, which does not directly or indirectly impact the utility or the functionality of the method or system by which rebates are provided to the customers and forwarded to his charities.

As per claims 5, 13, 15, 17 19, 20, 32, 35, 36, 40, 41, 43-44 and 46, Hovakimian discloses a patronage incentive system for enabling identified purchasers or customers (identified via a merchant's or bank credit card) to contribute or donate to their selected charities whenever they use a specific Bank or issuer's or merchant's credit card to pay for transactions at participating identified merchants' or retailers' POSes. **In fact, the card merchant or card issuer of the credit card agrees to deduct a certain portion (calculated rebates) from each identified purchaser's or donor's transaction involving the use of the credit card and subsequently donate the accumulated portions or rebates to the charity or charities (organizations or non-profit entities) pre-selected by the identified purchaser or customer or donor in an effort to encourage the identified purchaser to use the credit card to pay for transactions at participating merchants' or vendors' or retailers' POSes (this is the credit card issuer's or the credit card merchant's money, not the donor's or purchaser's money), thereby yielding to immediate customer's gratification and customer or credit card holder loyalty and retention, which helps retain the customer in an era where it is critical to keep an existing customer. Further, a "bank card-expedited system" (BAX or independent central clearinghouse) processes the card user's (donor's) purchase during a transaction at a participating or identified merchant's/vendor's POS, once the merchant's POS**

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system establishes a connection with the bank card-expedited system or BAX or clearinghouse, and pays a previously decided or determined amount (calculated rebate) to the identified charity or charities. Finally, the customer's credit card bill is being reduced by an amount equal to the value of the rebate or accumulated rebates and the rebate or the accumulated rebates will be posted to the one or more non-profit organizations' accounts (here, the central clearinghouse or BAX is independent from or not being controlled by the non-profit organizations, the donors/purchasers and the vendors or retailers/merchants themselves) (See abstract; col. 1: 24-48; col. 2: 4 to col. 3: 63; figs. 1-3; claims 1-2).

As per claims 11, 12, 14, 16, 18, 3, 13, 15, 17, 19, 38-39, 44, 29-30, 45 and 21-24, although Hovakimian supports the steps of registering supporters or the credit card holders and their selected charities or recipients of the rebates, participating merchants and providing donated rebate reports to supporters, **he does not expressly disclose the following**

Entering identification of supporters by enrolling the supporters of the non-profit organizations via remote terminals located at the non-profit organizations' sites or located at the supporters' sites, wherein the supporters use their remote terminals to register themselves and their selected charities to receive donated rebates and download reports on donated rebate payments and transaction activity and wherein the enrollment data are forwarded to the clearinghouse database.

The non-profits enroll or register with supporters and merchants and receive, using their remote terminals, downloaded rebate payments and reports on transaction activity and donated rebates.

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Remote terminals available at the merchants' sites and used to record identification associated with supporters and non-profits and receive transmitted reports on transactional activity and rebates from the clearinghouse.

However, a number of well-known processes to register supporters and their selected charities are readily available and well documented in the prior art. For example, a plurality of collection stations are installed within a POS and used by supporters to choose charities to which a contribution is destined. Displays or monitors coupled to these stations are utilized for displaying information with respect to premiums available to non-profits and download contribution information. The stations are connected to a central station or (clearinghouse) via a communication means. The central station also communicates with individual charity system to provide information concerning funds collected on behalf of the non-profits, wherein the funds can be transmitted to the charity systems or their banks. In another example, donation cards are distributed to potential donors by a variety of conventional means such as newspapers or mail or made available at store POSes, financial institutions or other establishments. The donors present the cards to a computer-based cash register or automatic teller machine, where the cards enable the donors to select one or more charities or donees.

Further, Hovakimian discloses that it is understood by those skilled in the art that various changes may be made and added to the process and wherein these changes and alternatives are considered to be within the spirit or scope of the present system (col. 3: 64 to col. 4: 2). In other words, whether the supporters register with the system or clearinghouse and select one or more charities to receive the rebates by filling out an off-line application (supported by Hovakimian) or an online application upon accessing the BAX or clearinghouse system using their own home remote terminals or PCs or remote terminals installed at the charities locations while being present at the charities' locations

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is a matter of great convenience or desires, which does not directly or indirectly impact the utility or functionality of the system.

Finally, the manner in which the non-profit organizations register themselves with the supporters and merchants is a matter of desires, which do not directly or indirectly impact the functionality of the systems.

The above findings are well within the scope and the spirit of the Hovakimian's system, as would have concluded one of ordinary skilled in the art.

Therefore, an ordinary skilled artisan would have been motivated in 1998 with the explosion of client-server and Internet technologies, without reading the present Application, to incorporate the above disclosures into the Hovakimian's system so as to have supporters, charities and merchants use remote terminals available at the supporters' sites, charities' locations and merchants' POSes respectively and linked to the BAX or clearinghouse system connected over a communication means such as the Internet, wherein upon accessing using their home remote terminals (or non-profits or merchants' remote terminals) the BAX system the supporters can register with the system by filling out an online or electronic application where they can select one or more charities to receive the rebates from the BAX system provided on behalf of the supporters and subsequently download readouts on their shopping activity and donated rebate payments and wherein the non-profits or charities use their remote terminals to solicit supporters, register with merchants where the supporters will shop and to receive download reports on shopping activity and donated rebate payments and even receive the accumulated rebate payments from the BAX or clearinghouse system and wherein the merchants record via their remote terminals in a database supporters' and non-profits' identifications and transmitted rebates and shopping activity readouts from the BAX or clearinghouse database, thereby rendering the system more flexible by enabling supporters, merchants and charities to register online with the system

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and communicate with one another in an interactive manner, while making the system readily available and accessible over the Internet to existing or potential supporters, existing or potential non-profits and existing or potential merchants throughout the world twenty-four hours a day and seven days a week, wherein information including transaction data and rebate payments reports and registration data is conveyed, shared and update by the different parties involved in real-time.

The following is a quotation of 35 U.S.C. 103 (a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1- 2, 7- 8 and 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over an article "Flowers as a Double Gift", published in the New York times on May 5, 1990 in view of Hovakimian, US Patent 5, 466, 919.

As per claims 1-2, 7-8 and 31, it is described in the article, "Flowers as a Double Gift", that a purchaser buying flowers at a Petal Power POS (merchant's POS) can earn a ten percent (10%) rebate that is deducted from the purchaser's bill and wherein the 10% rebate is donated to a charity selected by the purchaser or suggested by a Petal Power representative who maintains a charity list having more than one hundred non-profit organizations. Finally, the purchaser's donated 10% rebate is tax deductible (See whole article).

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Here, although it is expected that, with stores in more than 73 cities providing rebates to customers' selected charities, a centralized process or redemption center should be established to process the purchasers' transactions and deduct the 10% rebates from the transactions and wherein the accumulated rebates are subsequently forwarded to the non-profits, **however the article does not expressly disclose using a clearinghouse to perform or manage the various functions or tasks related to the calculating, deducting and providing the donated rebates to the selected charities.**

However, as per claims 1, 2, 7-8 and 31, Hovakimian discloses a patronage incentive system for enabling identified purchasers or customers (identified via a merchant's or bank credit card) to contribute or donate to their selected charities whenever they use a specific Bank or issuer's or merchant's credit card to pay for transactions at participating identified merchants' or retailers' POSes. **In fact, the card merchant or card issuer of the credit card agrees to deduct a certain portion (calculated rebates) from each identified purchaser's or donor's transaction involving the use of the credit card and subsequently donate the accumulated portions or rebates to the charity or charities (organizations or non-profit entities) pre-selected by the identified purchaser or customer or donor in an effort to encourage the identified purchaser to use the credit card to pay for transactions at participating merchants' or vendors' or retailers' POSes (this is the credit card issuer's or the credit card merchant's money, not the donor's or purchaser's money), thereby yielding to immediate customer's gratification and customer or credit card holder loyalty and retention, which helps retain the customer in an era where it is critical to keep an existing customer. Further, a "bank card-expedited system" (BAX or independent central clearinghouse) processes the card user's (donor's) purchase during a transaction at a participating or identified merchant's/vendor's POS, once the merchant's POS system establishes a connection with the bank card-expedited system or BAX or clearinghouse, and pays a previously decided or**

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determined amount (calculated rebate) to the identified charity or charities. Finally, the customer's credit card bill is being reduced by an amount equal to the value of the rebate or accumulated rebates and the rebate or the accumulated rebates **will be posted to the one or more non-profit organizations' accounts (here, the central clearinghouse or BAX is independent from or not being controlled by the non-profit organizations, the donors/purchasers and the vendors or retailers/merchants themselves)** (See abstract; col. 1: 24-48; col. 2: 4 to col. 3: 63; figs. 1-3; claims 1-2).

Moreover, using a clearinghouse or a central processing system or a processing facility or redemption center to clear or process, for example, coupons or other incentives distributed at a plurality of retail store POSes online or off-line is old and well established in the industry for many years (no further disclosure is necessary here or see US Patent 5, 905, 246).

Therefore, an ordinary skilled artisan would have been motivated at the time of the invention without reading the Instant Application to incorporate the above disclosures into the aforementioned article so as to use a clearinghouse or processing facility to receive the customers' transactions in real-time from the different POSes in order to calculate and deduct the 10% rebates off the customers' bills and subsequently forward the accumulated rebates to one or more charities selected by the customers, thereby simplifying and synchronizing the process by removing the duties of collecting and processing the rebates from the individual Petal Power store personnel who can now fully concentrate on the task of running their stores and performing the daily activities associated with them **rather than spending considerable amount of time executing mundane tasks related to processing the rebates system.** .

Response to Arguments

Here, contrary to the Applicant's arguments, the central clearinghouse is the equivalent of the BAX, as disclosed by Hovakimian, which is independent from or not being controlled by the non-profit organizations, the donors/purchasers/supporters and the vendors or retailers/merchants themselves. Further, Hovakimian teaches a system, as shown in fig. 3, wherein a BAX (BAX Center Processor) or central clearinghouse handles different tasks including calculating and accumulating the amount of money or rebates, resulting from purchases made by the identified donors or supporters at a plurality of participating vendors or merchants, due to selected and identified charities or non-profit organizations and wherein the accumulated rebates or the amount of money due is posted to the charities' accounts. Moreover, the Examiner completely disagrees with the Applicant's interpretation and characterization of the prior art, especially the various functions performed by the BAX. The Hovakimian's system is further configured to determine at the time of a transaction, as admitted by the Applicant, if the transaction involves a rebate regardless of whether or not the determination is made by a Network Transaction Processor or a BAX or central clearinghouse.

Thus, Hovakimian in combination with the "Flowers" article does indeed render the claimed invention obvious since the Applicant's arguments, as herein presented, are not persuasive.

Conclusion

Although the following references were not used in the Office Action, they were highly considered by the Examiner. Applicant is further directed to consult these references.

"Alpha Beta program offers rebate checks", a Supermarket News article, discloses a promotional scheme to provide a rebate check to a customer upon receiving a proof of purchase from

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the customer. Subsequent to receiving the proof of purchase from the customer, the rebate check can be assigned to the customer, forwarded to the customer's selected charity or divided in half with a portion going to the customer and the remaining portion to the customer's charity.

US Patent 5,909,794 to Molbak et al describes a system for collecting donations from users on behalf of charitable organizations.

US Patent 5,905,246A to Fajkowski discloses a clearinghouse for coupon management and redemption.

US Patent 6,052,674A to Zervides et al discloses an electronic invoicing and collection system and method with charity donations.

US Patent 5, 970, 480 to Kalina discloses a patronage incentive system having a centralized credit interchange system for converting purchase credit awards or rebates through credit exchange system for purchase of investment vehicle wherein an identified customer, using a specific manufacturer's credit or debit card to pay for transactions at participating merchants 26, receives credit awards or rebates in an effort to encourage the identified customer to continue to use the specific manufacturer's credit or debit card to pay for purchases at merchants 26 rather than a competitor's credit card or other payment instruments. In a preferred embodiment, merchant 26 enters at a POS a customer's transaction data including customer's identification where the customer's transaction data are forwarded to central computer or clearinghouse computer 50 (col. 4: 5-19). Furthermore, when sale/credit award transactions are received by central computer or clearinghouse computer 50, memory or Hard disk 72 will match merchant 26 and member bank 28 assigned and designated credit

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interchange account numbers to respective purchase credit award contract 74 already stored in memory or Hard disk 72. Purchase award contract 74 utilizes an account number associated with the terms of contract for matching preassigned award credit per type of award vehicle used and credits the identified customer's account 76 with the proper amount of award credits (col. 4: 20-58). And in the end, upon reaching a predetermined threshold number, the purchase credit awards or the rebates are converted into a cash value and used by central computer or clearinghouse computer 50 to purchase an investment vehicle at investment center 82 to thereby yield to immediate customer's gratification and customer or credit card holder loyalty and retention, which helps retain the customer in an era where it is critical to keep an existing customer (See abstract; col. 1: 9-19; col. 4: 59 to col. 5; 13).

Any inquiry concerning this communication from the Examiner should be directed to Jean D. Janvier, whose telephone number is (571) 272-6719. The aforementioned can normally be reached Monday-Thursday from 10:00AM to 6:00 PM EST. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's Supervisor, Mr. Eric W. Stamber, can be reached at (571) 272- 6724.

Non-Official- 571-273-6719.

Official Draft : 571-273-8300

12/09/06

JDJ

Jean D. Janvier

Patent Examiner

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**JEAN D. JANVIER
PRIMARY EXAMINER***Janvier Jean Dario*